

FISCAL IMPACT STATEMENT ON BILL NO. **H4391**

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TO:	The Honorable Robert E. "Bob" Walker, Chairperson, House Education and Public Works Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Trey Kannaday		
DATE:	April 1, 2008	SBD:	2008165

AUTHOR:	Representative E.H. Pitts	PRIMARY CODE CITE:	59-62-10
SUBJECT:	Public School Choice Program		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

BILL SUMMARY:

House Bill 4391 establishes a public school choice program within the State. Beginning in the 2009-2010 school year, each school district must begin implementation of their school choice plans. Each district shall provide a choice option for students at the elementary, middle, and high school levels.

EXPLANATION OF IMPACT:

FY 2008-2009

The State Department of Education (SDE) anticipates minimal fiscal impact to the agency for FY 2008- 09. During FY 08-09, each school district must convene a school choice committee. These committees are responsible for developing action plans informing parents and students about choice options within the district. The Department anticipates performing the duties called for in the Bill with existing resources.

FY 2009-2010

The impact in the General Fund of the State and/or Education Improvement Act funds is at the General Assembly's discretion. The Bill requires each school district, with available funds, to begin implementation of their school choice plans. With approval from SDE, districts may utilize EAA Technical Assistance funds provided pursuant to Section 59-18-1595. SDE notes actual costs will depend on which types of school choice options are developed. These school choice plans could be funded with local school district revenue.

Section 59-62-60 provides that with an appropriation from the General Assembly, SDE shall provide funding to districts participating in the Public School Choice Program or the voluntary open enrollment program to offset the cost of transporting students. In previous Bills dealing with the Four-Year-Old Child Development Education Program, transportation has been funded at either \$550 or \$185 per student. There are approximately 700,000 children in the K-12 public education system. If the General Assembly chose to provide a level of transportation funding comparable to that provided in these previous Bills and assuming 1% of these students choose an option requiring transportation under this Bill costs can be estimated between \$1.3 million and \$3.8 million annually.

Approved by:



Harry Bell
Assistant Director, Office of State Budget